

**REMARKS**

In the above-identified office action the Examiner has rejected claims 1-7 as unpatentable over the reference to Scott et al. The Examiner has stated that Scott has specified that prior systems could use transformers, capacitors, or optical means to provide oscillation and that it would have been obvious that optical, transformer, or capacitor means could have been chosen as the bi-directional oscillation barrier (as a design trade-off).

Applicant has amended claim 1 and as amended believes it now defines over Scott et al. Applicant's invention as claimed now recites:

"a first circuit exhibiting a hybrid circuit between the transformer and the telephone line for separating the signals of the telephone and a first signal path which extends from the telephone line to the digital signal processing device and into a second signal path which extends from the digital signal processing device to the telephone line."

This is not shown in Scott, which does not have such a circuit for separating signals in the telephone line from one signal path to a second signal path.

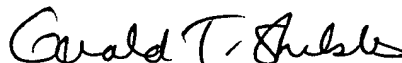
Further, Applicant now recites that the first and second circuits transmit the signals of the first and second signal paths bi-directionally in a ping-pong process decoupled *via* the transformer for both directions of transmission. This is not shown by Clark, which transmits his signals in a continuous manner and certainly not in a ping-pong process. For this reason alone, Applicant believes that the subject claims to be allowable. When combined with the placement of the hybrid circuit the claims definitely recite an invention that is not obvious over that of Clark or its remaining cited prior art.

Applicant hereby requests reconsideration and reexamination thereof.

With the above amendments and remarks, this application is considered ready for allowance and Applicant earnestly solicits an early notice of same. Should the Examiner be of the opinion that a telephone conference would expedite prosecution of the subject application, he is respectfully requested to call the undersigned at the below-listed number.

Respectfully submitted,

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